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Coöperative Production¹

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THROUGH the farmers, grain dealers, fruit-growers and dairy-men's associations, etc., the producers of the United States do a business of over a billion dollars of coöperative selling annually, although they produce as individuals on individually owned farms. There are many productive enterprises operated as coöperative, which are simply private joint-stock corporations such as the coöperage factories of Minneapolis, the shingle mills in the northwest, the deep-sea fisheries on the Pacific coast out of Seattle, Washington, cigar factories in Chicago, St. Louis, Philadelphia and Boston, a glass factory in Danville, Illinois, and numerous mines throughout the country. None of these are really coöperative any more than the

coöperative effort of a large number of miners in one mine producing coal for the private gain of an individual coal operator or other workers working in the same way for the private owners of other industries would be coöperative institutions.

The nearest thing to real coöperative production in the true meaning of the term in our country is the packing house operated by the Seattle Coöperative Society. This society retails its products to the members through its consumers' retail coöperative meat markets. The best type of real coöperative production that is going on in this country is that in which families are coöperating in raising a garden patch, some chickens, a cow, etc.; where all help to do the work, and where all who participate in the enterprise share equally in its benefits, and where advantage is taken of no one.

Real coöperative production in the United States at the present time is practically non-existent. If the history of coöperative production, which is now being carried on on a large scale in almost every industry in some other countries where the coöperative movement is more advanced, is of any value as a guide, then it is as it should be in this country. This is so because real coöperative production has never been successful on a large scale in any other country in the world until retail and wholesale consumers' coöperative societies had been established, the people organized and educated, coöperative markets for the products of the productive enterprises estab-

¹ This article was submitted to Mr. Frederick C. Howe, late Immigration Commissioner of the Port of New York, who is a leading American authority on coöperation. He commented as follows:

"Walker is a pure Rochdale coöperative. He believes that productive industry should be built up from the consumers, and should be controlled by them at all times. In other words, he follows the pure British model. My inability to add to or criticize this article is traceable to the fact that I do not know whether I agree with him or not. I accept all his principles and conclusions, but I have my doubts as to whether producers' coöperation is going to come from the consumers' end. I don't know. My own feeling is that it ought to be built up from the consumers' and producers' end, and the two groups then get together."

There is apparently a good deal of weight to the argument that under present conditions the coöperative movement has much more to expect from coöperation among consumers than it has from coöperation among producers.

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lished and adequate means of distribution accomplished.

The fate of the joint-stock company kind of coöperative production has been that, either because of the keen competition existing between private productive enterprises, inefficiency, incompetency, lack of loyalty or dishonesty on the part of those engaged in the so-called productive enterprise, it has failed. Where they have made a financial success of it, usually they have either restricted their membership and by specific action made it exclusive, or have raised the price of their shares to a figure which in itself is prohibitive. Thus the coöperative organizations have usually become ordinary private stockholders' corporations, operating for the personal selfish interests of those who have their finances invested in them, and getting everything that they possibly can from everybody else.

THE MEANING OF COÖPERATIVE PRODUCTION

Private profit must be eliminated and the consumer must own the productive enterprise, distribute and consume its products, and everybody, the producers, the distributors and the consumers share equally in its benefits, before we will have genuine coöperative production in the interest of the people. Through their retail and wholesale coöperative organizations, the people save for themselves and reduce the cost of their living by whatever the retail merchant and the middleman have been charging them for their services. Men and women are organized and informed on the practical operating economics involving and affecting them in their every-day life, so that they can understand every phase of the problems of industry and commerce, and their relation to all phases of government and act more intelligently and

unitedly in their own interests in all matters affecting their material welfare.

These things within themselves are of great value, but it is in the operation of coöperative productive enterprises that the greatest saving is made in reducing the cost of living. Here also is introduced the greatest benefit which comes from coöperative institutions. This benefit lies in the new relationship which is created in industry between the owner (management) and the worker; a relationship which enables them to settle justly and permanently, practically every problem of industry that is causing injury and wrong. It is a check upon privilege, unearned wealth and irresponsible power which is used to impose injustice and wrong on others, and through it much of the misery, friction and strife at the present time may be avoided.

In such a coöperative relationship no person will have any material selfish incentive to try and impose any condition in industry that is unjust, either to the workers, the management or the owners. The cause for bribery and corruption on the one hand, and the betrayal of their fellows on the other will also disappear. The incentive will be to give to all the very best that can be given, because the owner and employer, the worker and management (from a material interest point of view) will be one and the same, and the problems in industry will affect each of them alike. Each will receive the same benefit from whatever is done to benefit the other in a material way, and in like manner all will be injured by anything introduced to the detriment of either worker, management or owner. And because at the same time, they will have the power within their own hands to settle all questions involved and affecting each and all of them, the wages or reward, hours and conditions of labor

and treatment will be the very best that can possibly be devised.

In the event of friction, because of differences of opinion in any particular division of the coöperative movement which they are unable themselves to settle, (when it is established and operating in this larger way) it will be settled by the general organization, where everyone who acts on the matter will be in exactly the same position as those who are involved in the dispute. Because of this position they will know every fact and detail in the case, as it involves and affects everyone concerned, and they themselves will be involved and affected by their own decision in the matter; injuriously, if they make a wrong decision; beneficially, if it is a correct and just one.

The best interest of everyone concerned in the matter will only be served by doing the thing that is right and best for all, and thus, for the first time, there will be an arbitration tribunal for the settlement of all industrial and commercial disputes; a tribunal whose honesty, whose knowledge of the facts, whose interest in doing the thing that is right and whose desire to do the thing that is right no one can question.

SOCIAL ADVANTAGE OF COÖPERATIVE PRODUCTION

There can be no doubt on the part of men and women who understand the problems of today that a continuation of the present situation means a continuation of the injury, wrong, suffering, misery, denial of education and opportunity to the great majority of the people on the one side, and to a continuation of the increase of unearned wealth, unjust privileges and advantage, which are too often incentives for dishonesty and dangerous powers, to a few on the other side.

Everyone who is human, who loves the human race and the things that are right, *who understands*, will work to bring about this new condition. Among its strongest recommendations is the one that in the interim while every coöperative grocery, clothing, shoe, furniture, hardware store, etc., is being established, any unjust acts of the private merchant will be revealed; on the other hand, if there are any wrong suspicions or convictions in the minds of the people with reference to them, they will be immediately dispelled. When both sides have complete knowledge of the question, the people will be able to compel the merchant who is doing wrong to change his position and to do the thing which is right.

This will be true in industry as well as in commerce, so that the most powerful influence in the world (public opinion) based on a sure knowledge of the actual facts, will be put in a position where it will be most effective to compel the employers and merchants to discontinue doing the things which are wrong, and to do the things that they should and can do but which they have not been doing. Since there is hardly a controversy in our governmental life today, either with reference to legislation, court decisions or actions of executive officials, but that has its roots in the material interests of one side or the other, this greater knowledge will enable the people to be as potent and effective in settling such problems justly as in those of industry and commerce.

Only in the degree that the members of the coöperative movement (usually no one that is friendly to them are debarred from joining coöperative societies) develop the knowledge, organization and capacity peacefully and by lawful methods, to supplant the private merchant or private owner of

industry to the advantage and betterment of the whole people, will that be done.

The fact that everything which the coöperative movement does is predicated on organization and education and a raising of the standards of the people themselves removes any possible danger of injury, and makes it desirable that that influence be extended as quickly as possible.

As the things which the coöperative

movement will do immediately and can accomplish ultimately become better understood, it inspires and encourages every good man and woman to work harder for the just solution of all of our material problems. Because it is clear to them that these problems can be settled justly and permanently by peaceful methods, men and women are influenced to oppose violence as a method of dealing with their grievances.